



State Senator Leo Blais (center) takes notes from remarks made by attendees at the SBREFA roundtable at the Central RI Chamber.

Regulatory fairness roundtables conducted across Rhode Island

A series of regulatory fairness roundtables were conducted across Rhode Island earlier this month by state senator Leo R. Blais. Blais is a member of the Small Business Administration New England Regulatory Fairness Board.

Small business owners that were affected by federal regulations were invited to attend the sessions to speak about the impact those regulations had on their business. Senator Blais will present those comments at the regional regulatory fairness board hearing scheduled for March 25 in Stamford, Conn.

"It was interesting to hear the issues that affected small businesses in various parts of the state," said Senator Blais. "Issues discussed included contract bundling, health care, EPA regulation enforcement, and taxes," Blais said.

The roundtable meetings were hosted by chambers of commerce in Westerly, Newport County, Northern Rhode Island, Providence and Central Rhode Island.

The Small Business Regulatory Fairness Board rates federal agency enforcement fairness, reports to Congress, and receives comments from small business owners who feel they have been treated unfairly in the regulatory enforcement process.

Senator Blais may be contacted at (401) 821-0600 or by e-mail at lrbbsbrefa@pvpssc.com.

SBA and resource partners to participate in Business Expo 2004

The largest business-to-business expo in New England will be held at the Rhode Island Convention Center on April 7 and 8, 2004.

The SBA Rhode Island District Office along with SCORE: *Counselors to America's Small Business*, the Rhode Island Small Business Development Center, and the Center for Women and Enterprise will be among the expo's 400 exhibitors this year.

There will be 40 free educational seminars offered over the two days, and SBA and the Rhode Island Small Business Development Center will be among them. (*See the listing on page 2*)

Business Expo 2004 is presented by the Greater Providence Chamber of Commerce, and is expected to draw more than 20,000 business professionals. Admission is free with a business card.

Key note speaker Tim Russert, moderator of NBC's *Meet the Press*, will share his perspective on world events and the upcoming presidential election. Listen to CBS sportscaster Greg Gumbel share the excitement of Super Bowl 38 and his perspective on "Making the Effort".

Hear CNBC's financial guru Gerri Willis bring some insight into the financial markets at the Business Over Easy breakfast.



More than 20,000 attendees are expected to visit Business Expo 2004 at the Rhode Island Convention Center next month.

This year's show schedule is chock-full of other exciting events like the largest Business After Hours networking event of the year right on the show floor where attendees can feast on sumptuous treats from the kitchens of local restaurants and the annual Economic Outlook Luncheon featuring deputy mayor of New York City, Daniel Doctoroff, giving the keynote address; and a Providence Business News summit which will look at manufacturing in Rhode Island.

Show hours are from 10:00 a.m. to 7:00 p.m. on April 7 and 10:00 a.m. to 5:00 p.m. on April 8. For a detailed listing of everything happening at Business Expo 2004, browse the Greater Providence Chamber of Commerce Web site at www.provchamber.com. For more information, call the Chamber at (401) 521-5000.

SBA/RISBDC Workshops at Business Expo 2004

Wednesday, April 7

Increase Productivity Through Workplace Wellness

3:00 p.m. - Room 552B

Richard Tomeo, Acting District Director, SBA

Scott Young, Health and Wellness Division, Blue Cross/Blue Shield

Brad Johnson, Manager of Small Business Sales, Blue Cross/Blue Shield

Steve Cronin, President and CEO, Mercury Print and Mail

Dorothee Maynard-Rogers, President, Good Neighbor Alliance Corporation

Finding solutions to address the rising cost of health insurance and maintaining a healthy work force are just some of the challenges facing small business owners today. Join a panel discussion featuring small business owners and wellness experts to learn more about solutions you can use. The panel will provide case studies and offer suggestions on how you and your employees can work together to make a healthy workplace.

Thursday, April 8

How to Get Business Financing

1:00 p.m. - Room 555B

Richard Tomeo, Acting District Director, SBA and a **panel of SBA participating lenders**

Participate in a realistic discussion on accessing business capital from both the bank and borrower perspectives.

QuickBooks Training

3:00 p.m. - Room 552B

Andy Argenbright, RISBDC Consultant

Many small businesses use QuickBooks to manage their finances. This seminar will teach you how to get the most out of the software and manage your business more effectively.

2004 R.I. Small Business Resource Guide now available

The 2004 edition of the SBA Rhode Island Small Business Resource Guide has arrived from the printer.

This year's guide is better than ever and includes more sources of assistance for small business owners and would-be entrepreneurs.

To request a free copy of the guide, contact the SBA Rhode Island District Office at (401) 528-4561, or send an e-mail request to providence.ri@sba.gov and include your name and address.

Financial advisor to appear on SBA Spanish Web site

Top financial advisor and entrepreneurship motivator Julie Stav will appear in a live Web chat on the SBA's Spanish language Web site. Stav will participate in the chat session on Wednesday, March 24 at 2:00 p.m., to discuss how to start a new business.

Previous live Web chat participants have included financial planner, advisor and author Louis Barajas and SBA Administrator Hector V. Barreto.

Since 1979, Stav has been educating and empowering thousands of people--in English and Spanish--by way of hundreds of financial planning seminars. As a result of her exposure in millions of American households through her media appearances, she is educating her audience to take control of their own destiny, plan their finances, and invest wisely.

Julie is now hosting her own national radio show in Spanish on Univision Radio.

To join the chat visit www.negocios.gov and click on "Chat en Vivo."

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Mark S. Hayward

From the District Director's Desk

I first want to congratulate Senator Leo Blais for conducting roundtables here in Rhode Island in anticipation of the Small Business Regulatory Enforcement Fairness Board hearing that will occur on March 25th in Stamford, Connecticut. Over 50 Rhode Island small business owners provided testimony that will be brought to the full New England hearing.

Three weeks ago, Massachusetts District Director

Elaine Guiney passed away after a six month battle with cancer. Elaine was a person who was strong in her conviction to promote access to capital for small businesses. Her husband Terry has begun a foundation in her name with the intention of presenting scholarships to women and minorities for programs that encourage entrepreneurship.

In light of this event, Regional Administrator Jeff Butland and Associate Administrator for Field Operations Michael Pappas have asked me to serve as the Acting District Director in Boston for 120 days. I began this assignment on March 4, 2004 and expect to return to the

Rhode Island District Office soon. In the meantime, my deputy district director, Richard Tomeo will be responsible for the Rhode Island office. I would ask all of you to give him your cooperation and strive to continue our success as a leader in the region.

While I will be physically gone from the Rhode Island office for the next four months, you can still communicate with me. Please feel free to contact me at 617-565-5561 or by e-mail at mark.hayward@sba.gov.

Hispanic American Chamber awards banquet during Business Expo 2004

The Rhode Island Hispanic American Chamber of Commerce will hold its 4th annual meeting and awards banquet during Business Expo 2004 at the Rhode Island Convention Center on Wednesday, April 7 beginning at 5:30 p.m.

Mr. J.R. Gonzales, Chair of the U.S. Hispanic Chamber of Commerce will be the keynote speaker and will receive the Hispanic Business Vision and Leadership Award. Also receiving awards are Neil Steinberg, President, Fleet Bank, Melba Depena, Executive Director, Rhode Island Democratic Party, and Mi Guatemala Restaurant in Providence will be honored as the Rhode Island Hispanic Business of the Year.

For more information call the Hispanic American Chamber of Commerce at (401) 331-2615. Reservation deadline is March 23.

RISBDC and City of Providence to offer business management training to contractors

Recognizing the need for increased management skills in today's construction industry, the Rhode Island Small Business Development Center and the City of Providence have joined forces to offer an accredited, five-day educational program for small and emerging contractors.

Participants will learn the core business skills necessary to compete and grow in the industry from local and national trade experts. The five daylong sessions include seminars in marketing, estimating and bidding, record keeping and contemporary use of business technologies, among others. Additional forums will discuss state regulatory and licensing review, insurance risk management, and workforce recruitment strategies.

City officials will offer forums on municipal bidding processes and Providence's minority business enterprise program.

The program will take place from Monday, April 5 to Friday, April 9 at the Community College of Rhode Island's Center for Training and Technology at Quonset-Davisville, North Kingstown, and is funded by tuition fees and a \$30 thousand grant from the Rhode Island Foundation.

Tuition for the five-day program is \$420 and scholarships are available on a need-basis. Interested contractors can contact Adriana Dawson at RISBDC's Bryant College office at (401) 232-6111, or by e-mail at adawson@bryant.edu for more information or to register.

The Rhode Island Small Business Development Center is a resource partner of the U.S. Small Business Administration.

FTC hotline to assist small businesses and other victims of Web cramming scam

The Federal Trade Commission has launched a consumer hotline to assist alleged victims of a Web cramming scam operated by Miami-based Epixtar Corporation and several of its subsidiaries, including one formerly known as SBA Online, Inc. **The hotline number is (202) 326-2998 and will advise consumers how to obtain a refund.**

The hotline was established as a result of a lawsuit by the FTC against Epixtar and its subsidiaries for allegedly violating federal law by deceptively marketing a free trial of Internet services, and then unfairly billing customers' telephone accounts without their expressed informed consent and without their knowledge. The FTC investigation was prompted in part by the SBA's objections to the unauthorized use of its trademark by the company and complaints to the SBA from small business owners.

SBA, SCORE to conduct workshops

The U.S. Small Business Administration and SCORE will conduct free workshops during March and April.

SBA will partner with the Internal Revenue Service for a workshop on tax reporting for small business. The workshop will be held on Wednesday, March 24 from 9:00 a.m. to 1:00 p.m. at the Newport County Chamber of Commerce, 45 Valley Road, Middletown. The SBA will present a summary of programs and services and will explain how to finance a small business.

Register by calling Mary Marcotte at the IRS at (401) 525-4179, or register online at www.sba.gov/ri and clicking on the *Online Seminar Registrations* link.

SCORE: *Counselors to America's Small Business*, will offer a free series of workshops on business basics at the Providence Public Library each Saturday from 9:30 a.m. to 12:30 p.m., during the month of April. Topics include administrative and legal considerations, marketing, finance and business plan development.

Register by calling Ann Poulos at the Providence Public Library at (401) 455-8027, or by fax to (401) 455-8080. Seating is limited to 20 people.

SBA receives awards for creating Web sites

The SBA has received Excellence.gov Awards for the creation of two Web sites. The agency won top honors for BusinessLaw.gov and was one of 25 award winners for developing a first-of-its-kind integrated state business registration and federal employer identification number Web service.

The annual awards recognize e-government projects that are innovative, mature, demonstrate measurable results, impact the agency's mission and can be copied by other organizations.

BusinessLaw.gov is a one-stop legal and regulatory site built primarily by SBA field attorneys. It helps businesses find, understand and comply with laws and regulations at all levels of government. The site can be found on the Web at <http://businesslaw.gov> or through the Laws and Regulations section of www.sba.gov or www.businesslaw.gov.

BusinessLaw.gov is currently accessed approximately 320,000 times per week for a total of 20 million times in the past two years, saving businesses an estimated \$100 million annually by making legal and regulatory information available at their fingertips.

Karriem Kanston is RICMI loan officer

The Rhode Island Coalition for Minority Investment (RICMI) has named Karriem Kanston as its business development specialist.

Kanston oversees the SBA's MicroLoan program and is responsible for providing technical assistance to clients.

RICMI is the only SBA MicroLoan intermediary in Rhode Island. MicroLoans range from a minimum of \$2,000 to a maximum of \$35,000.

Kanston holds degrees in Entrepreneurship, Business Management, and Teacher Business Education from Johnson & Wales University.



Karriem Kanston

SBA Lender Update subscription available

SBA lending partners may receive SBA LENDER UPDATE via e-mail by subscribing online. The updates are messages that contain breaking news about SBA lending programs.

The updates will not replace any existing communication channel for lenders. To subscribe simply go the following Web site: www.sba.gov/banking/listserv.html.

Subscribers will receive an e-mail confirmation, which they must respond to within 48 hours.

Visit Our Website



www.sba.gov/ri

Office of Advocacy News

Home-based businesses restricted by regulations

Home-based businesses face daunting restrictions from both federal and local regulations, according to a research report entitled, *Home-based Business and Government Regulations*.

The report documents difficulties in complying with complex and confusing IRS rules for home office and equipment deductions. It also describes many of the zoning restrictions faced by the fifty-three percent of small businesses that are home-based.

The report was written by Microeconomic Applications, Inc., and funded by the Office of Advocacy.

At the federal level, the report found that IRS regulations penalize home-based businesses in their treatment of deductions. In particular, claiming a home-office deduction is complex; the depreciation is spread over an unrealistically long time; and returning the space to full residential use generally entails penalties.

The report examined state and local regulations in Arizona, California, Illinois, Iowa, Pennsylvania and Vermont. It found that the most restrictive regulations are at the local zoning level. It also notes that some states have begun to enact legislation that is supportive of home-based businesses. Vermont, Maryland and California were cited for such legislation.

Small business use of telecommunications services detailed

Sound small business telecommunications policy grounded in solid research is now possible because of survey results released by the Office of Advocacy. The report details small business telecommunications use and spending and offers a wide range of data previously unavailable to policy makers.

A Survey of Small Business Telecommunications Use and Spending, written by TeleNomic Research and

funded by the Office of Advocacy, shows that small business spends on average \$543 per month of telecommunications services. It also clearly shows that differences in size and industry drive telecommunications spending.

The report finds that the smallest of businesses pay the most per employee for local and long distance phone service. Firms with zero to four employees face a monthly cost of \$82.81, while small firms with 10-499 employees face a monthly per employee cost of \$20.99.

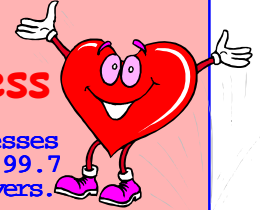
Bank consolidation reduces small business access to credit

Bank consolidation can limit small business access to credit, according to a study released by the Office of Advocacy. In regions with high levels of consolidation the study found reductions in small business access to bank credit, especially in credit limits. However, small business overall debt levels remained steady as they turned to non-bank financial institutions for their credit needs.

Written by Drs. Steven Craig and Pauline Hardee and funded by the Office of Advocacy, the study, *The Impact of Bank Consolidation on Small Business Credit Availability*, uses data from the 1998 Survey of Small Business Finances to examine both credit access and credit levels of small businesses. The authors found that bank consolidation resulted in significant reductions in credit limits for small businesses, but that actual credit balances had fallen by much less.

The banking industry has been undergoing an extensive period of consolidation, which has accelerated since the federal interstate banking legislation of 1994. Small firms are the source of three-quarters of the net new jobs and the bulk of their financing is from banks. Consequently, the effect of institutional change on small business credit is a major economic and job creation issue.

Top Ten Reasons to Love Small Business



10. Small businesses make up more than 99.7 percent of all employers.

9. Small businesses create more than 50 percent of the nonfarm private gross domestic product.

8. Small patenting firms produce 13-14 times more patents per employee than large patenting firms.

7. The 23 million small businesses in the United States are located in virtually every neighborhood.

6. Small businesses employ about 50 percent of all private sector workers.

5. Home-based businesses account for 53 percent of all small businesses.

4. Small businesses make up 97 percent of all exporters and produce 29 percent of all export value.

3. Small businesses with employees start-up at a rate of over 500,000 per year.

2. Four years after start-up, half of all small businesses with employees remain open.

1. The latest figures show that small businesses create 75 percent of the net new jobs in our economy.

SBA announces online registration for National Small Business Week

Online attendee registration for *SBA Expo '04: Celebrating National Small Business Week* is now open.

The annual celebration honoring the nation's leading small business entrepreneurs will be held in Orlando, Fla., May 19-21, 2004, at the Orange County Convention Center. Highlights of the event, co-sponsored by SCORE, include the announcement of the National Small Business Person of the Year, a business expo, seminars, a business matchmaking event, and award ceremonies honoring women entrepreneurs and state and national small business winners.

Registration and exhibitor information are available at www.sba.gov/50.



Every Friday Morning 9:00 - 11:00 a.m.

Information Workshop for Starting a Small Business

Central RI Chamber of Commerce
Slade's Ferry Business Center
3280 Post Road, Warwick **FREE**

Learn about the free programs and services available from SBA, find out how to create a winning business plan, and tour the Central RI Chamber/SBA Business Information Center. Pre-register by calling (401) 528-4561 or online at www.sba.gov/ri and click on the *Online Seminars Registrations* link.

Saturday, April 17 9:30 a.m. - 12 noon

SBA Business Basics Workshop

Cumberland Public Library
1464 Diamond Hill Road, Cumberland, RI
Find out about the many services available from SBA, learn how to write a winning business plan, and hear about ways to finance your small business. **Fee: FREE**
Register by calling SBA at (401) 528-4561, or online at www.sba.gov/ri and click on the *Online Seminar Registrations* link.

Wednesday, April 21 all day

Alliance New England Matchmaking Fair

Worcester Centrum Centre, Worcester, MA
Scheduled business matchmaking appointments, trade show, workshops, e-source center, networking opportunities.

For details, schedule, participants and online registration visit www.allianceforbiz.com.

**For a listing of workshops
and events visit the
SBA Rhode Island**

**District Office Web site:
www.sba.gov/ri**

Study shows resilience of women-owned businesses

Between 1997 and 2000, women-owned employer establishments demonstrated amazing tenacity and proved to be more resilient than employer firms overall.

Employment among all employer firms declined by 6.7 percent during the period, but women-owned firms fared better; the employment decline among them was only 4.2 percent. Further, women-owned employer establishments were just as likely to have remained in business over this period, with three-quarters still in existence after three years.

This new information is contained in *Trends in Women-owned Employer Establishments: 1977-2000*, a report published by the National Women's Business Council (NWBC). The report is based on data made available through an agreement between the Census Bureau and NWBC.

NWBC is now producing the first-ever annual tabulation on trends in the number and employment of women-owned employer establishments by state and industry. These are the only such data available annually between census years, and will allow the NWBC to provide more detailed and timely intelligence on trends in women's entrepreneurship.

Industry and State Details. The report's detailed tables of state and industry employment trends show the resilience of women-owned establishments.

Women-owned establishments in the agribusiness and construction industries--as well as sub-industries within the services, manufacturing and retail trade sectors--showed net employment gains from 1997 to 2000. This is in marked contrast to the 6.7 percent employment decline among all establishments.

In every industry except mining and retail trade, employment in women-owned establishments saw greater gains or lower declines than did all establishments.

Employment changes among women-owned employer establishments was strongest in the Northeast and Mid-Atlantic regions, with eight out of ten states experiencing the highest change in employment in these regions.

From 1997 to 2000, five states (New Jersey, Maine, New York, Pennsylvania, and **Rhode Island**) saw growth in employment among women-owned establishments, while no states experienced growth in employment among all establishments.

The 10 states with the greatest growth in employment from 1997 to 2000 among women-owned establishments were:

- New Jersey (22.3 percent growth in employment)
- Maine (14.3 percent)
- New York (8.1 percent)
- Pennsylvania (4.2 percent)
- **Rhode Island (2.9 percent)**

To read the complete publication online, visit NWBC at www.nwbc.gov, click on "other publications," then click on "issues in brief."

USEFUL WEB SITES

SBA, Rhode Island	www.sba.gov/ri
R.I. Secretary of State	www2.corps.state.ri.us/business_development
R.I. Coalition for Minority Investment	www.midcri.com/ricmi/ricmi.htm
R.I. Department of Labor and Training	www.dlt.state.ri.us
R.I. Export Assistance Center	www.rieac.org
R.I. Procurement Technical Assistance Center	www.federaldollars.com
U.S. Government Internet Gateway	www.firstgov.gov

RHODE ISLAND SBA BANK RANK

FY04 7(a) Approved Loan Volume by SBA Lenders and Number of Loans 10/1/03 to 2/29/04

1. Citizens Bank of Rhode Island	308	\$10,673,400
2. BankRI	30	\$4,902,500
3. Sovereign Bank New England	23	\$2,450,000
4. Coastway Credit Union	19	\$4,186,000
5. The Washington Trust Co.	19	\$3,564,000
6. Fleet Bank	18	\$2,640,000
7. First Federal Savings Bank	15	\$1,996,000
8. Independence Bank	6	\$3,390,000
9. Capital One F.S.B.	3	\$75,000
10. UPS Capital Business Credit	2	\$490,000
11. Minority Investment Development Corp.	2	\$231,000
12. Home Loan and Investment Bank	2	\$210,000
13. Greenwood Credit Union	2	\$185,000
14. Freedom National Bank	2	\$170,000
15. CIT Small Business Lending	1	\$573,000
16. Pitney-Bowes Small Business Lending	1	\$528,728
17. First Trade Union Bank	1	\$300,000
18. Stearns Bank, N.A.	1	\$120,000
19. BankNewport	0	
20. Bristol County Savings Bank	0	
21. Business Dev. Co. of Rhode Island	0	
22. Business Lenders LLC	0	
23. Business Loan Express	0	
24. Centreville Savings Bank	0	
25. Danvers Savings Bank	0	
26. Domestic Bank	0	
27. G.E. Capital Small Business Finance Corp.	0	
28. NewportFed	0	
29. Slade's Ferry Bancorp	0	
30. Wachovia SBA Lending, Inc.	0	

Sub-Total: 455 \$36,715,228

Ocean State Business Development Authority

Ocean State Business Development Authority is a Certified Development Company licensed by SBA. The following lenders approved first mortgage financing on economic development projects, thereby facilitating the 504 loans listed below through 2/29/04.

Lender	Number Loans	SBA Debenture	Total Project
Fleet Bank	1	\$1,216,000	\$5,200,000
Bristol County Savings Bank	2	\$666,000	\$1,605,000
Sovereign Bank	1	\$527,000	\$1,275,000
UPS Capital Business Credit	2	\$541,000	\$1,300,000
Bank RI	1	\$99,000	\$270,000
Total 504 Loans	7	\$3,049,000	\$9,650,000

Total Loans 462 \$39,764,228



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March 2004

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Mark S. Hayward

Editor

Normand T. Deragon

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Business Expo 2004

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SCORE Booth 814

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